

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6986

BILL NUMBER: HB 1283

NOTE PREPARED: Jan 8, 2008

BILL AMENDED:

SUBJECT: Unemployment Insurance Benefits Fees.

FIRST AUTHOR: Rep. Fry

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill prohibits the Department of Workforce Development (Department) from requiring an individual receiving unemployment insurance benefits (benefits) to pay a fee or charge to access the benefits or information about the receipt or payment of the benefits. It requires the Department to pay or reimburse any fee or charge assessed against an individual receiving benefits in order to access the benefits or information about the receipt or payment of the benefits.

The bill provides that for any agreement that the Department has entered into to manage or administer the benefits, the Department shall: (1) modify the agreement to eliminate or require the Department to pay any fee or charge assessed against an individual to access the benefits or information about the receipt or payment of the benefits; (2) cancel the agreement; or (3) terminate the agreement.

Effective Date: Upon passage; July 1, 2008.

Explanation of State Expenditures: The bill does not allow the Department to use a payment system which requires the person receiving unemployment insurance benefits to pay or be charged a fee to obtain access to the benefits. The bill requires the Department to reimburse all fees or charges assessed or paid by an individual.

The bill could increase the administrative expenses for the Unemployment Insurance Benefit Fund. The increase would depend on future payment systems.

For FY 2007, the Unemployment Insurance Benefit Fund paid out about \$736.8 M in benefits.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Workforce Development.

Local Agencies Affected:

Information Sources:

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